Measures taken to Control Inflation

*129 SHRI ANANTRAY DEVSHANKER DAVE:
SHRI CHIMANBHAI MEHTA:

Will the Minister of FINANCE be pleased to state:

(a) what are the measures Government have taken to control the rate of inflation recently;

(b) whether it is a fact that inflation is hitting exports hard;

(c) if so, the details thereof;

(d) how long it will take to bring drawn inflation of GDP growth rate as was promised by the finance department;

(e) what was the consumer and wholesale price index when present Government came in power and what is it at present; and

(f) whether it is a fact that delay in import of sugar has pushed up the prices to an extent?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) The anti-inflationary measures taken by the Government in recent months are:

(i) Decision to limit the fiscal deficit for 1994-95 to 6 percent of GDP as against 7.3 percent last year.

(ii) Limiting the budget deficit and net borrowings from the RBI in the form of ad hoc Treasury Bills to Rs. 6000 crores during 1994-95 and instituting a machanism to ensure that this limit is not exceeded by more than Rs. 3,000 crores for more than 10 contiguous working days.

(iii) Raising Cash Reserve Ratio for banks to 15 percent from 14 percent with a view to reducing the growth of money supply to a range of 14-15 percent in 1994-95.

(iv) Allowing import of sugar and cotton under OGL with zero duty.

(v) Placing import of refined palmolein on OGL and allowing imports for PDS at concessional duty of 20 percent.

(vi) Allowing import of Viscose Staple Fibre at 7 per cent duty to supplement contton|yarn supply.

(vii) Active intervention in the foodgrains market by open market sale of rice and wheat through FCI from large public holding of food stocks.

(viii) Selective credit control measures for agro raw materials, viz. cotton, vegetable oil, oilseeds and pulses.

(b) and (c) Export performance during 1993-94 has been excellent. Exports during this period grew by 19.6 per cent in dollar terms.

(d) Government has placed inflation control on top of its agenda and a number of measures to manage aggregate demand and supply have already been put into effect as outlined at (a) above. Some stability in prices is already visible and further moderation is quite likely by end of September.

(e) The Consumer Price Index was 214 in July 1991. It has reached 272 in May 1994 and, the Wholesale price Index which was 202.8 in July 1991, has reached 264.4 in June 1994.

(f) Increase in sugar price was due to sharp decline in sugar production in 1993-1994 (October-September) to an estimated level of about 96 lakh tonnes from 106 lakh tonnes in 1992-93 and 134 lakh tonnes in 1991-92.

देश में बचत को प्रोत्हसाहन देने के लिये उठाये गये कदम

*130. **श्री खास मोहम्मद :**
श्री ईश दत्त यादव :

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार विदेशों से ऋण